Voice-Mailed Mark on this 12/9/97 M

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RJ Reynolds Tobacco Company

Mark Gambardella
Division Manager
Voice Mail 73344

December 4, 1997

To: Mark Young

Subject: New Salem in Westchester Cty

Dear Mark,

As per my voice mail to you recently, I am concerned with the situation of New Salem spilling into westchester county. As we discussed, we knew this would occur to a certain extent, however I feel it is reaching a level that may cause confusion to our Salem smokers in this area. The following is some more feedback and an action plan I have implemented.

- Primary spillage is from Stomel and Levinson-338 calls are supplied by either one of these wholesalers (of 1,071 total calls)
- 121 calls are supplied by Stomel exclusively
- Reps indicate about 20 to 25% of their calls have some style of New Salem
- Very little sniped box product showing up
- Stan Lou/City Line have not spilled any new into westchester county
- Feedback from smokers who have tried the new salem has been positive
- If they see it showing up, the sales reps and territory rep have been letting retailers know that New Salem is being introduced in the city and Long Island.
- They also indicate that the box is not an alternative to our soft styles, if the box shows up in a call.

The biggest concern I have right now are the exclusive Stomel accounts and some of the higher volume Levinson accounts. I have contacted George to let him know of the spillage from Levinson and he said he will address it and continue to address it as necessary. As for the exclusive Stomel accounts, I have directed the reps to place or have retail reps place New Salem advertising on our salem footprints as well as supplemental advertising *inside* the store(Banners, Pasters, etc.) Any outdoor signage would confuse the issue and appear as though we are reintroducing Salem. This approach should help relieve the confusion of our franchise smokers and help pick up some new smokers with minimal effort. This approach will also be taken in stores where New Salem is making up more than half of the Salem inventory(i.e. some of he higher volume Levinson stores)

I feel this plan will help us clear up any confusion that our franchise smokers may be experiencing with minimal effort. Concentrating inside the store will prevent a message to other retailers and the smoking general public that we're reintroducing Salem. I don't want the westchester reps to spend too much time on New Salem at the expense of maintaining our focus on New Winston.

Mark, I will continue to provide you feedback on this matter. If you have any questions, please give me a call.

Sincerely,

Mark R. Gambardella

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Source: https://www.industrydocuments.ucsf.edu/docs/hlyn0000